

REMARKS:

Claims 1-34 are currently pending in the application. Claims 1-4, 11-14, 21-24 and 31 stand rejected under 35 U.S.C. § 102(e) over U.S. Patent No. 6,226,618 to Downs et al. ("Downs"). Claims 5, 8, 15, 18, 25, and 28 stand rejected under 35 U.S.C. § 103(a) over Downs in view of U.S. Patent No. 6,343,738 to Ogilvie et al. ("Ogilvie"). Claims 6-7, 16-17, 26-27, and 32-34 stand rejected under 35 U.S.C. § 103(a) over Downs in view Ogilvie and in further view of U.S. Patent No. 6,230,288 to Kuo et al. ("Kuo"). Claims 9, 19, and 29 stand rejected under 35 U.S.C. § 103(a) over Downs in view Ogilvie and in further view of U.S. Patent No. 4,648,047 to Berkland et al. ("Berkland"). Claims 10, 20, 30 stand rejected under 35 U.S.C. § 103(a) over Downs in view of U.S. Patent No. 6,094,722 to Astola et al. ("Astola").

Although the Applicant believes claims 1-34 are directed to patentable subject matter, and in condition for allowance without amendment. The Applicant has canceled independent claims 1, 11, and 21 and dependent claims 5, 6, 15, 16, 25, and 26. The Applicant has also amended independent claims 31-34 to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. The Applicant has also amended dependent claims 2-4, 7-10, 12-14, 17-20, 22-24, and 27-30 to correct certain dependencies. By making these amendments, the Applicant makes no admission concerning the merits of the Examiner's rejection, and respectfully deny any statement or averment of the Examiner not specifically addressed. Particularly, the Applicant reserves the right to file additional claims in this Application or through a continuation patent Application of substantially the same scope of originally filed claims 1-34. No new matter has been added.

REJECTION UNDER 35 U.S.C. § 112:

The Applicant thanks the Examiner for withdrawing the rejection of claims 1-34 under 35 U.S.C. § 112, second paragraph.

REJECTION UNDER 35 U.S.C. § 102(e):

Claims 1-4, 11-14, 21-24 and 31 stand rejected under 35 U.S.C. § 102(e) over Downs.

Although the Applicant believes claims 1-34 are directed to patentable subject matter without amendment, the Applicant has canceled independent claims 1, 11, and 21 and dependent claims 5, 6, 15, 16, 25, and 26. The Applicant has also amended independent claims 31-34 to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. The Applicant has also amended dependent claims 2-4, 7-10, 12-14, 17-20, 22-24, and 27-30 to correct certain dependencies. By making these amendments, the Applicant does not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 102(e), as set forth in the Office Action.

The Applicant respectfully submits that the amendments to independent claims 31-34 have rendered moot the Examiner's rejection of claims 1-4, 11-14, and 21-24 and the Examiner's arguments in support of the rejection of claims 1-4, 11-14, and 21-24. The Applicant further submits that amended claims 31-34 in their current amended form contain unique and novel limitations that are not disclosed, suggested, or even hinted at in Downs. Thus, the Applicant respectfully submits that claims 2-4, 12-14, 22-24 and 31-34 patentably distinguish over Downs.

Downs Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Claims

For example, with respect to amended independent claim 32, this claim recites:

A system for watermarking data associated with one or more products, the system comprising one or more software components collectively operable to:

generate an algorithm for creating a particular pattern in data associated with one or more products available from one or more sellers,

the data comprising one or more product attribute values, seller attribute values, and product descriptions for each of the one or more products, the data being stored in one or more databases accessible to one or more buyer computers for search queries for data associated with certain of the products, the algorithm comprising a sifting function capable of creating the particular pattern in the data for identifying the data and the source without adversely affecting the use of the data, the sifting function is capable of altering printable American Standard Code for Information Interchange (ASCII) characters in the data, the pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement, the pattern facilitating identification of a copy of the data and not affecting authorized use of the data by the one or more buyer or users associated with the buyer computers; and
apply the algorithm to the data to create the particular pattern in the data. (Emphasis Added).

Amended independent claims 31, 33, and 34 recite similar limitations. Downs fails to disclose each and every limitation of amended independent claims 31-34.

The Applicant respectfully submits that Downs has nothing to do with amended independent claim 32 limitations regarding a system, method, or software for watermarking data associated with one or more products and in particular Downs has nothing to do with amended independent claim 32 limitations regarding an algorithm comprising a sifting function capable of altering printable American Standard Code for Information Interchange characters in the data, the pattern comprising a plurality of non-printable American Standard Code for Information Interchange characters inserted throughout the data according to a pre-defined arrangement. Although Downs discloses an ability to extract metadata and to package it for electronic distribution, (Column 9, Lines 15-60), Downs does not disclose, teach, or suggest the generation of an algorithm for creating a particular pattern or even packing content and metadata in data associated with one or more products available from one or more sellers.

In addition, the Applicant respectfully submits that the Office Action acknowledges, and the Applicant agrees, that Downs fails to disclose the emphasized limitations in amended independent claims 32-34. Specifically the Examiner acknowledges that Downs fails to teach "the pattern including inserting non-printable ASCII characters throughout the

data according to a pre-defined arrangement.” (4 October 2005 Final Office Action, Pages 6-7). Thus, Downs cannot provide a system, method, or even software for watermarking data associated with one or more products, since as acknowledged by the Examiner, Downs fails to teach the pattern including inserting non-printable ASCII characters throughout the data according to a pre-defined arrangement.

The Applicant's Claims are Patentable over Downs

The Applicant respectfully submits that the allegation in the present Office Action that Downs discloses all of the claimed features is respectfully traversed. Further, it is noted that the Office Action provides no concise explanation as to how Downs is considered to anticipate all of the limitations in amended independent claim 32. **A prior art reference anticipates the claimed invention under 35 U.S.C. § 102 only if each and every element of a claimed invention is identically shown in that single reference.** MPEP § 2131. (Emphasis Added). The Applicant respectfully points out that “it is incumbent upon the [E]xaminer to identify wherein each and every facet of the claimed invention is disclosed in the applied reference.” *Ex parte Levy*, 17 U.S.P.Q.2d (BNA) 1461, 1462 (Pat. & Tm. Off. Bd. Pat. App. & Int. 1990). The Applicant respectfully submits that the Office Action has failed to establish a *prima facie* case of anticipation in amended independent claim 32 under 35 U.S.C. § 102 with respect to Downs because Downs fails to identically disclose each and every element of the Applicant's claimed invention, arranged as they are in Applicant's claim.

With respect to amended independent claims 31, 33, and 34 each of these claims includes limitations similar to those discussed above in connection with amended independent claim 32. Thus, amended independent claims 31, 33, and 34 are considered patentably distinguishable over Downs for at least the reasons discussed above in connection with amended independent claim 32. Furthermore, dependent claims 2-4 which depend from amended independent claim 32, dependent claims 12-14 which depend from amended independent claim 33 and dependent claims 22-24 which depend from amended independent claim 34 are also considered patentably distinguishable over Downs. Thus, dependent claims 2-4, 12-14, and 22-24 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

Thus, for the reasons set forth herein, the Applicant submits that claims 2-4, 12-14, 22-24 and 31-34 are not anticipated by Downs. The Applicant further submits that claims 2-4, 12-14, 22-24 and 31-34 are in condition for allowance. Thus, the Applicant respectfully requests that the rejection of claims 2-4, 12-14, 22-24 and 31-34 under 35 U.S.C. § 102(e) be reconsidered and that claims 2-4, 12-14, 22-24 and 31-34 be allowed.

THE LEGAL STANDARD FOR ANTICIPATION REJECTIONS UNDER 35 U.S.C. § 102:

The following sets forth the legal standards for "anticipation."

The events that can lead to anticipation can be divided into the following seven categories, all defined by statute:

1. Prior Knowledge: The invention was publicly known in the United States before the patentee invented it.
2. Prior Use: The invention was publicly used in the United States either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.
3. Prior Publication: The invention was described in a printed publication anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.
4. Prior Patent: The invention was patented in another patent anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his application.
5. On Sale: The invention was on sale in the United States more than one year before the patentee filed his application.

6. Prior Invention: The invention was invented by another person in the United States before the patentee invented it, and that other person did not abandon, suppress or conceal the invention.

7. Prior U.S. Patent: The invention was described in a patent granted on a patent application filed in the United States before the patentee made the invention.

Each of those seven events has its own particular requirements, but they all have the following requirements in common:

1. Anticipation must be shown by clear and convincing evidence.
2. If one prior art reference completely embodies the same process or product as any claim, the product or process of that claim is anticipated by the prior art, and that claim is invalid. To decide whether anticipation exists, one must consider each of the elements recited in the claim and determine whether all of them are found in the particular item alleged to be anticipating prior art.
3. There is no anticipation unless every one of those elements is found in a *single* prior publication, prior public use, prior invention, prior patent, prior knowledge or prior sale. One may not combine two or more items of prior art to make out an anticipation. One should, however, take into consideration, not only what is expressly disclosed or embodied in the particular item of prior art, but also what inherently occurred in its practice.
4. There cannot be an accidental or unrecognized anticipation. A prior duplication of the claimed invention that was accidental, or unrecognized, unappreciated, and incidental to some other purpose is not an invalidating anticipation.

Those four requirements must be kept in mind and applied to each kind of anticipation in issue. The following additional requirements apply to some categories of anticipation.

1. Prior Knowledge: An invention is anticipated if it was known by others in the United States before it was invented by the patentee. "Known," in this context, means

known to the public. Private knowledge, secret knowledge or knowledge confined to a small, limited group is not necessarily an invalidating anticipation. Things that were known to the public only outside the United States are not invalidating anticipation.

2. Prior Use: An invention is anticipated if it was used by others before it was invented by the patentee, or more than one year before the patentee filed his patent application. "Use," in this context, means a public use.

3. Prior Publication: A patent is invalid if the invention defined by the Claims was described in a printed publication before it was invented by the patentee or more than one year prior to the filing date of his application. For a publication to constitute an anticipation of an invention, it must be capable, when taken in conjunction with the knowledge of people of ordinary skill in the art, of placing the invention in the possession of the reader. The disclosure must be enabling and meaningful. In determining whether the disclosure is complete, enabling, and meaningful, one should take into account what would have been within the knowledge of a person of ordinary skill in the art at the time, and one may consider other publications that shed light on the knowledge such a person would have had.

4. Prior Patent: If the invention defined by the claims was patented in the United States or a foreign country, either before it was invented by the inventor or more than one year before the inventor filed his patent application, then the invention was anticipated. The effective date for this type of anticipation is the date on which two things co-existed: (i) the owner of the referenced patent had the right to enforce that patent; and (ii) the reference patent was available to the public. What was "patented" in the reference patent is determined by what is defined by its claims, interpreted in the light of the general description.

5. On Sale: A patent is invalid if the invention claimed in it was on sale in the United States more than one year prior to the application filing date.

6. Prior Invention: If the invention defined by the claims was invented by another person, in the United States, before it was invented by the inventor, and that other

person did not abandon, suppress, or conceal the invention, the invention lacks novelty. A prior invention, even if put in physical form and shown to produce the desired result, is not an invalidating anticipation unless some steps were taken to make it public. However, it is not necessary that the inventor had knowledge of that prior invention.

7. Prior U.S. Application: A patent is invalid for lack of novelty if the invention defined by the claims was described in a United States patent issued on a patent application filed by another person before the invention was made by the inventor. The effective date of a prior application for purposes of this issue is the date on which it was filed in the United States. Foreign-filed patent applications do not apply. If the issued United States patent claims the benefit of more than one United States application, its effective date as an anticipation is the filing date of the first United States application that discloses the invention claimed in that referenced patent.

Experimental Use Exception: The law recognizes that it is beneficial to permit the inventor the time and opportunity to develop his invention. As such there is an "experimental use" exception to the "public use" and "on sale" rules. Even though the invention was publicly used or on sale, more than one year prior to the application filing date, that does not invalidate the patent, provided the principal purpose was experimentation rather than commercial benefit. If the primary purpose was experimental, it does not matter that the public used the invention or that the inventor incidentally derived profit from it.

When a public use or sale is shown, the burden is on the inventor to come forward with evidence to support the experimental use exception. Only experimentation by or under the control of the inventor qualifies for this exception. Experimentation by a third party, for its own purposes, does not qualify for this exception. Once the invention leaves the inventor's control, its use is a public one, even if further experimentation takes place.

The experimentation must relate to the claimed features of the invention. And it must be for the purpose of technological improvement, not commercial exploitation. If any commercial exploitation does occur, it must be merely incidental to the primary purpose of

experimentation. A test done primarily for marketing, and only incidentally for technological improvement, is a public use.

REJECTION UNDER 35 U.S.C. § 103(a):

Claims 5, 8, 15, 18, 25, and 28 stand rejected under 35 U.S.C. § 103(a) over Downs in view of Ogilvie. Claims 6-7, 16-17, 26-27, and 32-34 stand rejected under 35 U.S.C. § 103(a) over Downs in view Ogilvie and in further view of Kuo. Claims 9, 19, and 29 stand rejected under 35 U.S.C. § 103(a) over Downs in view Ogilvie and in further view of Berkland. Claims 10, 20, 30 stand rejected under 35 U.S.C. § 103(a) over Downs in view of Astola.

Although the Applicant believes claims 1-34 are directed to patentable subject matter without amendment, the Applicant has canceled independent claims 1, 11, and 21 and dependent claims 5, 6, 15, 16, 25, and 26. The Applicant has also amended independent claims 31-34 to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. The Applicant has also amended dependent claims 2-4, 7-10, 12-14, 17-20, 22-24, and 27-30 to correct certain dependencies. By making these amendments, the Applicant does not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 103(a), as set forth in the Office Action.

The Applicant respectfully submits that Downs or Ogilvie, either individually or in combination, fails to disclose, teach, or suggest each and every element of claims 5, 8, 15, 18, 25, and 28. The Applicant further submits that Downs, Ogilvie, or Kuo, either individually or in combination, fails to disclose, teach, or suggest each and every element of claims 6, 7, 16, 17, 26, 27, 32, 33, and 34. The Applicant still further submits that Downs, Ogilvie, Kuo, or Berkland, either individually or in combination, fails to disclose, teach, or suggest each and every element of claims 9, 19, and 29. The Applicant yet further submits that Downs or Astola, either individually or in combination, fails to disclose,

teach, or suggest each and every element of claims 10, 20, and 30. Thus, the Applicant respectfully traverses the Examiner's obvious rejection of claims 1-34 under 35 U.S.C. § 103(a) over the proposed combination of Downs, Ogilvie, Kuo, Berkland, and Astola, either individually or in combination.

The Proposed Downs-Ogilvie Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 8, 18, and 28

The Applicant respectfully submits that the Office Action acknowledges, and Applicant agrees, that Downs fails to disclose the emphasized limitations in dependent claim 8. Specifically the Examiner acknowledges that Downs fails to teach the pattern including a plurality of insertion, deletion, or modifications of printable ASCII characters in data according to a predefined arrangement. (4 October 2005 Final Office Action, Page 5). However, the Examiner asserts that the cited portions of Ogilvie disclose the acknowledged shortcomings in Downs. The Applicant respectfully traverses the Examiner's assertions regarding the subject matter disclosed in Ogilvie.

For example, with respect to amended dependent claim 8, this claim recites:

The system of Claim 32, wherein the pattern comprises a plurality of insertion, deletions, or modifications of printable American Standard Code for Information Interchange (ASCII) characters in the data according to a pre-defined arrangement. (Emphasis Added).

Amended dependent claims 18 and 28 recite similar limitations. Downs or Ogilvie either individually or in combination, fail to disclose, teach, or suggest each and every element of amended dependent claims 8, 18, and 28.

The Applicant respectfully submits that Ogilvie has nothing to do with amended dependent claim 8 limitations regarding a particular pattern in data associated with one or more products comprising plurality of insertion, deletion, or modifications of printable ASCII characters in data according to a predefined arrangement. Rather Ogilvie discloses a technique for facilitating transactions involving digital goods through a broker. (Abstract). Ogilvie merely discloses a sampling technique based on content types which may include ASCII text. (Column 20, Lines 8-23). Ogilvie does not

disclose a pattern in data associated with one or more products according to a predefined arrangement. Thus Ogilvie cannot provide a system, method, or even software for watermarking data with one or more products comprising one or more software components collectively operable to generate an algorithm for creating a particular pattern in data associated with one or more products available from one or more sellers that is a sifting function or a pattern in data associated with one or more products comprising plurality of insertion, deletion, or modifications of printable ASCII characters in data according to a predefined arrangement.

The Applicant further submits that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Downs and Ogilvie, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Downs and Ogilvie as proposed. The Office Action merely states that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs' teaching to include a plurality of insertion, deletion, or modifications of printable ASCII characters in data according to a predefined arrangement". (4 October 2005 Final Office Action, Page 5). The Applicant respectfully disagrees.

The Applicant further submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Downs or Ogilvie, either individually or in combination. The Examiner appears to be asserting that one of ordinary skill in the art at the time the invention was made would have been motivated "for better [sic] protecting the products from unauthorized access." (4 October 2005 Final Office Action, Page 5). The Applicant respectfully disagrees. The Applicant respectfully requests the Examiner to point to the portions of Downs or Ogilvie which contain the teaching, suggestion, or motivation to combine Downs or Ogilvie for the Examiner's stated purported advantage. The Applicant further submits that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention**, and that any motivation to combine or modify the prior art **must be based upon a suggestion in the prior art**. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Downs and Ogilvie to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs' teaching to include a plurality of insertion, deletion, or modifications of printable ASCII characters in data according to a predefined arrangement" or that "for better [sic] protecting the products from unauthorized access", does not adequately address the issue of motivation to combine. (4 October 2005 Final Office Action, Page 5). This **factual question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority**. *Id.* (Emphasis Added). It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Downs or Ogilvie, either individually or in combination.

The Proposed Downs-Ogilvie-Kuo Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 7, 17, and 27

The Applicant respectfully submits that the Office Action acknowledges, and Applicant agrees, that Downs fails to disclose the emphasized limitations in amended dependent claims 7, 17 and 27. Specifically the Examiner acknowledges that Downs fails to teach the limitations of dependent claims 7, 17, and 27. (4 October 2005 Final Office Action, Pages 5-6). However, the Examiner asserts that the cited portions of Ogilvie and Kuo disclose the acknowledged shortcomings in Downs. The Applicant respectfully traverses the Examiner's assertions regarding the subject matter disclosed in Ogilvie and Kuo.

For example, with respect to amended dependent claim 7, this claim recites:

The system of Claim 32, wherein the pattern comprises a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters in the data. (Emphasis Added).

Amended dependent claims 17 and 27 recite similar limitations. Downs, Ogilvie, or Kuo, either individually or in combination, fail to disclose, teach, or suggest each and every element of amended dependent claims 7, 17, and 27.

The Applicant respectfully submits that Ogilvie has nothing to do with amended dependent claim 7 limitations regarding a particular pattern in data comprising a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters in the data. Rather Ogilvie discloses a technique for facilitating transactions involving digital goods through a broker. (Abstract). Ogilvie merely discloses a sampling technique based on content types which may include ASCII text. (Column 20, Lines 8-23). Ogilvie does not disclose a sampling technique or any technique that comprises a pattern of a particular set of non-printable ASCII characters appearing after each instance or at any instance of the sampling technique. Thus Ogilvie cannot provide a system, method, or even software for watermarking data with one or more products comprising one or more software components collectively operable to generate an algorithm for creating a particular pattern in data associated with one or more products available from one or more sellers that is a sifting function or a pattern in data associated with one or more products comprising a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters in the data.

The Applicant further submits that Kuo has nothing to do with amended dependent claim 7 limitations regarding a particular pattern in data comprising a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters in the data. Rather Kuo discloses a method for detecting computer viruses that infect text-based files and transforms the “myriad” (countless, innumerable, numberless, numerous, many, multitude, or heap) of possible whitespace

sequences with a common whitespace sequence. (Abstract and Column 5, Lines 5-38). Thus, Kuo cannot provide a system, method, or even software for watermarking data with one or more products comprising one or more software components collectively operable to generate an algorithm for creating a particular pattern in data associated with one or more products available from one or more sellers that is a sifting function or a pattern in data associated with one or more products comprising a particular pattern in data comprising a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters in the data, since, Kuo does not even provide a particular set of non-printable ASCII characters appearing after each instance of a particular group of characters or even after each sequence of characters.

The Applicant further submits that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Downs, Ogilvie, and Kuo, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Downs, Ogilvie, and Kuo as proposed. The Office Action merely states that “it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs’ teaching to include inserting non-printable ASCII characters as taught by Ogilvie and Kuo”. (4 October 2005 Final Office Action, Page 6). The Applicant respectfully disagrees.

The Applicant further submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Downs, Ogilvie, or Kuo, either individually or in combination. The Examiner appears to be asserting that one of ordinary skill in the art at the time the invention was made would have been motivated “for better [sic] protecting the products from unauthorized access.” (4 October 2005 Final Office Action, Page 6). The Applicant respectfully disagrees. The Applicant respectfully requests the Examiner to point to the portions of Downs, Ogilvie, or Kuo which contain the teaching, suggestion, or motivation to combine Downs, Ogilvie, or Kuo for the Examiner’s stated purported advantage. The Applicant further submits that the Examiner is using the subject

Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention**, and that any motivation to combine or modify the prior art **must be based upon a suggestion in the prior art**. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Downs, Ogilvie, and Kuo to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs' teaching to include inserting non-printable ASCII characters as taught by Ogilvie and Kuo" or that "for better [sic] protecting the products from unauthorized access", does not adequately address the issue of motivation to combine. (4 October 2005 Final Office Action, Page 6). This **factual question of motivation is material to patentability, and cannot be resolved on subjective belief** and unknown authority. *Id.* (Emphasis Added). It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Downs, Ogilvie, or Kuo, either individually or in combination.

The Proposed Downs-Ogilvie-Kuo Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Independent Claims 32-34

The Applicant respectfully submits that the amendments to independent claims 32-34 have rendered moot the Examiner's rejection of claims 32-34 and the Examiner's arguments in support of the rejection of claims 32-34. The Applicant further submits that amended independent claims 32-34 in their current amended form contain unique and novel limitations that are not disclosed, suggested, or even hinted at in Downs, Ogilvie, and Kuo, either individually or in combination. Thus, the Applicant respectfully submits

that amended independent claims 32-34 are not rendered obvious by the proposed combination of Downs, Ogilvie, or Kuo.

The Applicant respectfully submits that the Office Action acknowledges, and Applicant agrees, that Downs fails to disclose the emphasized limitations in amended independent claims 32-34. Specifically the Examiner acknowledges that Downs fails to teach “the pattern including inserting non-printable ASCII characters throughout the data according to pre-defined arrangement.” (4 October 2005 Final Office Action, Pages 6-7). However, the Examiner asserts that the cited portions of Ogilvie and Kuo disclose the acknowledged shortcomings in Downs. The Applicant respectfully traverses the Examiner’s assertions regarding the subject matter disclosed in Ogilvie and Kuo.

For example, with respect to amended independent claim 32, this claim recites:

A system for watermarking data associated with one or more products, the system comprising one or more software components collectively operable to:

generate an algorithm for creating a particular pattern in data associated with one or more products available from one or more sellers, **the data comprising one or more product attribute values, seller attribute values, and product descriptions for each of the one or more products**, the data being stored in one or more databases accessible to one or more buyer computers for search queries for data associated with certain of the products, **the algorithm comprising a sifting function capable of creating the particular pattern** in the data for identifying the data and the source without adversely affecting the use of the data, **the sifting function is capable of altering printable American Standard Code for Information Interchange (ASCII) characters in the data**, **the pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement**, the pattern facilitating identification of a copy of the data and not affecting authorized use of the data by the one or more buyer or users associated with the buyer computers; and

apply the algorithm to the data to create the particular pattern in the data. (Emphasis Added).

Amended independent claims 33 and 34 recite similar limitations. Downs, Ogilvie, or Kuo either individually or in combination, fail to disclose, teach, or suggest each and every element of amended independent claims 32-34.

The Applicant respectfully submits that Ogilvie has nothing to do with amended independent claim 32 limitations regarding a system, method, or software for watermarking data associated with one or more products and in particular Ogilvie has nothing to do with amended independent claim 32 limitations regarding a pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement. Rather Ogilvie merely discloses a sampling technique based on content types which may include ASCII text. (Column 20, Lines 8-23). The sampling technique in Ogilvie, merely categorizes content type and has nothing to do with inserting a plurality of non-printable ASCII characters according to a pre-defined arrangement, or any type of arrangement at all. Thus Ogilvie cannot provide a pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement, since Ogilvie does not even provide a pre-defined arrangement for inserting non-printable ASCII characters in the first place.

The Applicant further submits that Kuo has nothing to do with amended independent claim 32 limitations regarding a system, method, or software for watermarking data associated with one or more products and in particular Kuo has nothing to do with amended independent claim 32 limitations regarding a pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement. Rather Kuo discloses a method for detecting computer viruses that infect text-based files and transforms the “myriad” (countless, innumerable, numberless, numerous, many, multitude, or heap) of possible whitespace sequences with a common whitespace sequence. (Abstract and Column 5, Lines 5-38). Thus, Kuo cannot provide a pattern comprising a plurality of non-printable ASCII characters inserted throughout the data according to a pre-defined arrangement, since; Kuo does not even provide a pre-defined, pre-determined, or even an ability to calculate a possible definitive arrangement of inserting non-printable ASCII characters throughout the data.

The Applicant further submits that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of

Downs, Ogilvie, and Kuo, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Downs, Ogilvie, and Kuo as proposed. The Office Action merely states that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs' teaching to include inserting non-printable ASCII characters as taught by Ogilvie and Kuo". (4 October 2005 Final Office Action, Page 7). The Applicant respectfully disagrees.

The Applicant further submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Downs, Ogilvie, or Kuo, either individually or in combination. The Examiner appears to be asserting that one of ordinary skill in the art at the time the invention was made would have been motivated "for better [sic] protecting the products from unauthorized access." (4 October 2005 Final Office Action, Page 7). The Applicant respectfully disagrees. The Applicant respectfully requests the Examiner to point to the portions of Downs, Ogilvie, or Kuo which contain the teaching, suggestion, or motivation to combine Downs, Ogilvie, or Kuo for the Examiner's stated purported advantage. The Applicant further submits that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention**, and that any motivation to combine or modify the prior art **must be based upon a suggestion in the prior art**. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Downs, Ogilvie, and Kuo to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the pattern in Downs' teaching to include inserting non-printable ASCII characters as taught by Ogilvie and Kuo"

or that “for better [sic] protecting the products from unauthorized access”, does not adequately address the issue of motivation to combine. (4 October 2005 Final Office Action, Page 7). This **factual question of motivation is material to patentability**, and **cannot be resolved on subjective belief** and unknown authority. *Id.* (Emphasis Added). It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to “[use] that which the inventor taught against its teacher.” *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Downs, Ogilvie, or Kuo, either individually or in combination.

The Proposed Downs-Ogilvie-Berkland Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant’s Dependent Claims 9, 19, and 29

The Applicant respectfully submits that the Office Action acknowledges, and Applicant agrees, that Downs and Ogilvie fail to disclose the emphasized limitations in amended dependent claims 9, 19 and 29. Specifically the Examiner acknowledges that Downs and Ogilvie fail to teach “the pattern comprises each instance of a particular group of characters in the data being underscored throughout the data.” (4 October 2005 Final Office Action, Pages 7-8). However, the Examiner asserts that the cited portions of Berkland disclose the acknowledged shortcomings in Downs and Ogilvie. The Applicant respectfully traverses the Examiner’s assertions regarding the subject matter disclosed in Berkland.

For example, with respect to amended dependent claim 9, this claim recites:

The system of Claim 32, wherein **the pattern comprises each instance of a particular group of characters in the data being underscored throughout the data.** (Emphasis Added).

Amended dependent claims 19 and 29 recite similar limitations. Downs, Ogilvie, or Berkland, either individually or in combination, fail to disclose, teach, or suggest each and every element of amended dependent claims 9, 19, and 29.

The Applicant further submits that Berkland has nothing to do with amended dependent claim 9 limitations regarding a particular pattern in data comprising each instance of a particular group of characters in the data being underscored throughout the data. Rather Berkland discloses a printer function that allows for underscored text to be printed. (Column 10, Lines 12-30). Berkland does not disclose, teach, or even hint at each instance of a particular group of characters in the data being underscored. Thus, Berkland cannot provide a a particular pattern in data comprising each instance of a particular group of characters in the data being underscored throughout the data, since, Berkland does not even provide for the ability to underscore a particular group of characters in the first place.

The Applicant further submits that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Downs, Ogilvie, and Berkland, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Downs, Ogilvie, and Berkland as proposed. The Office Action merely states that “it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the particular group of characters in the teaching of Downs modified by Ogilvie to be underscored throughout the data”. (4 October 2005 Final Office Action, Page 8). The Applicant respectfully disagrees.

The Applicant further submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Downs, Ogilvie, or Berkland, either individually or in combination. The Examiner appears to be asserting that one of ordinary skill in the art at the time the invention was made would have been motivated “because this would provide sellers more choices with additional various patterns that can be added to the data so that the sellers’ products can be better [sic] protected.” (4 October 2005 Final Office Action, Page 8). The Applicant respectfully disagrees. The Applicant respectfully requests the Examiner to point to the portions of Downs, Ogilvie, or Berkland which contain the teaching, suggestion, or motivation to combine Downs, Ogilvie, or Berkland for the Examiner’s stated purported advantage. The Applicant further submits

that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention**, and that any motivation to combine or modify the prior art **must be based upon a suggestion in the prior art**. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Downs, Ogilvie, and Berkland to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the particular group of characters in the teaching of Downs modified by Ogilvie to be underscored throughout the data" or that "because this would provide sellers more choices with additional various patterns that can be added to the data so that the sellers' products can be better [sic] protected", does not adequately address the issue of motivation to combine. (4 October 2005 Final Office Action, Page 8). This **factual question of motivation is material to patentability**, and **cannot be resolved on subjective belief** and unknown authority. *Id.* (Emphasis Added). It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Downs, Ogilvie, or Berkland, either individually or in combination.

The Proposed Downs-Astola Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Dependent Claims 10, 20, and 30

The Applicant respectfully submits that the Office Action acknowledges, and Applicant agrees, that Downs fails to disclose the emphasized limitations in amended dependent claims 10, 20, and 30. Specifically the Examiner acknowledges that Downs fails to teach "determining a first sum of numerical values of bytes representing the data stored in the one or more databases for later comparison with a second sum of numerical

values of bytes representing data from another source to determine whether the data from the other source is a copy of the data from the one or more databases.” (4 October 2005 Final Office Action, Page 8). However, the Examiner asserts that the cited portions of Astola disclose the acknowledged shortcomings in Downs. The Applicant respectfully traverses the Examiner’s assertions regarding the subject matter disclosed in Astola.

For example, with respect to amended dependent claim 9, this claim recites:

The system of Claim 32, wherein **the software components** are collectively further operable to **determine a first sum of numerical values of bytes representing the data stored in the one or more databases for later comparison with a second sum of numerical values of bytes representing data from another source to determine whether the data from the other source is a copy of the data from the one or more databases.** (Emphasis Added).

Amended dependent claims 20 and 30 recite similar limitations. Downs or Astola, either individually or in combination, fail to disclose, teach, or suggest each and every element of amended dependent claims 10, 20, and 30.

The Applicant further submits that Astola has nothing to do with amended dependent claim 10 limitations regarding software components operable to determine a first sum of numerical values of bytes representing the data stored in the one or more databases for later comparison with a second sum of numerical values of bytes representing data from another source to determine whether the data from the other source is a copy of the data from the one or more databases. Rather Astola describes a checksum method associated with image files. (Column 1, Lines 45-54). Astola does not disclose a software components operable to determine a first sum of numerical values of bytes representing the data stored in the one or more databases for later comparison with a second sum of numerical values of bytes representing data from another source to determine whether the data from the other source is a copy of the data from the one or more databases. Thus, Astola cannot provide a software components operable to determine a first sum of numerical values of bytes representing the data stored in the one or more databases for later comparison with a second sum of

numerical values of bytes representing data from another source to determine whether the data from the other source is a copy of the data from the one or more databases, since, Astola does not even provide the ability to determine whether the data from the other source is a copy of the data from the one or more databases.

The Applicant further submits that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Downs and Astola, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Downs and Astola as proposed. The Office Action merely states that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow Downs' teaching to include the feature of whether a data is original by comparing the sum of numerical byte values of the data with the checksum of the original data." (4 October 2005 Final Office Action, Page 8). The Applicant respectfully disagrees.

The Applicant further submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Downs or Astola, either individually or in combination. The Examiner appears to be asserting that one of ordinary skill in the art at the time the invention was made would have been motivated "for quickly determining the source of the data." (4 October 2005 Final Office Action, Page 8). The Applicant respectfully disagrees. The Applicant respectfully requests the Examiner to point to the portions of Downs or Astola which contain the teaching, suggestion, or motivation to combine Downs or Astola for the Examiner's stated purported advantage. The Applicant further submits that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention**, and that any motivation to combine or modify the prior art **must be based**

upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Downs and Astola to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that "it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow Downs' teaching to include the feature of whether a data is original by comparing the sum of numerical byte values of the data with the checksum of the original data" or "for quickly determining the source of the data", does not adequately address the issue of motivation to combine. (4 October 2005 Final Office Action, Page 8). This **factual question of motivation is material to patentability, and cannot be resolved on subjective belief** and unknown authority. *Id.* (Emphasis Added). It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Downs or Astola, either individually or in combination.

The Applicant's Claims are Patentable over the Proposed Downs-Ogilvie-Kuo-Berkland-Astola Combination

With respect to amended independent claims 31, 33, and 34 each of these claims includes limitations similar to those discussed above in connection with amended independent claim 32. Thus, amended independent claims 31, 33, and 34 are considered patentably distinguishable over the proposed combination of Downs, Ogilvie, Kuo, Berkland, and Astola for at least the reasons discussed above in connection with amended independent claim 32.

With respect to dependent claims 7-10, 17-20, and 27-30: claims 7-10 depend from amended independent claim 32; claims 17-20 depend from amended independent claim 33; and claims 27-30 depend from amended independent claim 34. As mentioned above, each of amended independent claims 33 and 34 includes limitations similar to those discussed above in connection with amended independent claim 32. Thus, amended

independent claims 33 and 34 are considered patentably distinguishable over Downs, Ogilvie, Kuo, Berkland, and Astola for at least the reasons discussed above in connection with amended independent claim 32. Thus, dependent claims 7-10, 17-20, and 27-30 are considered patentably distinguishable over the proposed combination of Downs, Ogilvie, Kuo, Berkland, and Astola for at least the reasons of depending from an allowable claim and are therefore considered to be in condition for allowance.

For at least the reasons set forth herein, the Applicant submits that claims 7-10, 17-20, 27-30, and 31-34 are not rendered obvious by the proposed combination of Downs, Ogilvie, Kuo, Berkland, and Astola. The Applicant further submits that claims 7-10, 17-20, 27-30, and 31-34 are not rendered obvious by the proposed combination of Downs, Ogilvie, Kuo, Berkland, and Astola are in condition for allowance. Thus, the Applicant respectfully requests that the rejection of claims 7-10, 17-20, 27-30, and 31-34 under 35 U.S.C. § 103(a) be reconsidered and that claims 7-10, 17-20, 27-30, and 31-34 be allowed.

THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, there must be something in the prior art as a whole to suggest the desirability, and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

CONCLUSION:

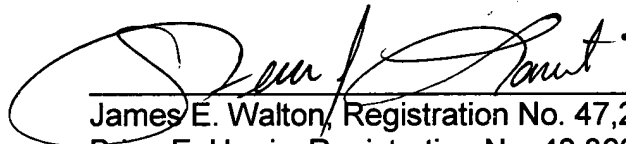
In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Although the Applicant believes no fees are deemed to be necessary; the undersigned hereby authorizes the Commissioner to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777**.

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

12/1/05
Date



James E. Walton, Registration No. 47,245
Brian E. Harris, Registration No. 48,383
Steven J. Laureanti, Registration No. 50,274
Daren C. Davis, Registration No. 38,425
Michael Alford, Registration No. 48,707
Law Offices of James E. Walton, P.L.L.C.
1169 N. Burleson Blvd., Suite 107-328
Burleson, Texas 76028
(817) 447-9955 (voice)
(817) 447-9954 (facsimile)
jim@waltonpllc.com (e-mail)

CUSTOMER NO. 53184
ATTORNEYS AND AGENTS FOR APPLICANT